



Department of Justice

FOR IMMEDIATE RELEASE
WEDNESDAY, FEBRUARY 26, 1997

AT
(202) 616-2771
TDD (202) 514-1888

**JUSTICE DEPARTMENT CHARGES OHIO PARTS COMPANY WITH
RIGGING BIDS ON SURPLUS MILITARY GOODS**

WASHINGTON, D.C. -- An Ohio parts company was charged today by the Department of Justice with conspiring to rig bids of surplus military material at government auctions.

In a one-count felony charge filed in U.S. District Court in Harrisburg, Pennsylvania, the Department's Antitrust Division charged Sam Winer Motors Inc. of Akron, Ohio, with conspiring to rig bids on the purchase of military surplus sold in interstate commerce by the Defense Reutilization and Marketing Service--an office of the Defense Logistics Agency. The Department said the conspiracy took place from 1992 through October 1994.

This is the fifth case brought as the result of the Department's antitrust investigation into bid rigging and related violations at surplus military auctions conducted by the Defense Reutilization and Marketing Service.

According to the charges, the company conspired with others to suppress and eliminate competition for military surplus offered for sale at Defense Reutilization and Marketing Service auction sites in Mechanicsburg and Chambersburg, Pennsylvania. Sam Winer Motors and co-conspirators carried out the conspiracy by discussing their bids with one another before various items were offered up for sale

at the auction sites. Included in these discussions were the price, the bid and who was to be the winning bidder.

Joel I. Klein, Acting Assistant Attorney General in charge of the Department's Antitrust Division, said the charges resulted from

a federal investigation of bid rigging and related violations at surplus military auctions conducted by the Defense Reutilization and Marketing Service. The case was filed by the Antitrust Division's Philadelphia Field Office with the assistance of the Defense Criminal Investigative Service, the investigative arm of the Department of Defense Inspector General, and the U.S. Naval Criminal Investigative Service.

The maximum penalty for a company convicted of a violation of the Sherman Act is a fine of \$10 million, twice the pecuniary gain the corporation derived from the crime, or twice the pecuniary loss suffered by the victims of the crime, whichever is greater.

###

97-085